

# PSERS' Investment Portfolio

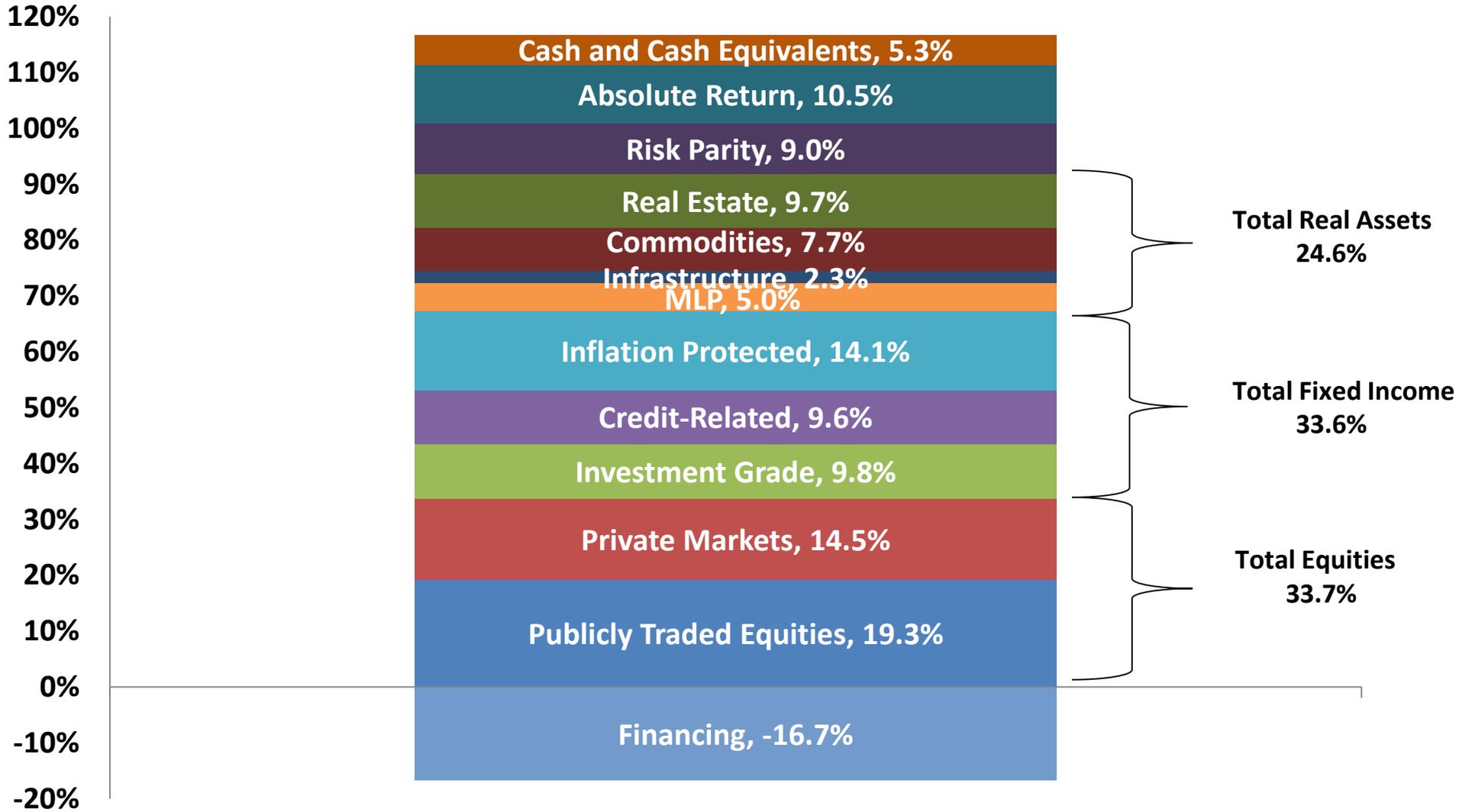
## Asset Allocation as of September 30, 2018 (Unaudited)

Asset Class	Market Value (in millions)	% of Total	Target Allocations	Policy Ranges
Publicly-Traded Global Equity	\$10,671.7	19.3%		
Private Markets	<u>\$8,019.4</u>	<u>14.5%</u>		
Total Equities	\$18,691.1	33.7%	34.00%	+/- 10.0%
Investment Grade	\$5,449.3	9.8%		
Credit-Related	\$5,319.7	9.6%		
Inflation Protected	<u>\$7,835.7</u>	<u>14.1%</u>		
Total Fixed Income	\$18,604.7	33.6%	35.00%	+/- 10.0%
Master Limited Partnership (MLP)	\$2,759.5	5.0%		
Infrastructure	\$1,252.5	2.3%		
Commodities	\$4,245.4	7.7%		
Real Estate	<u>\$5,376.7</u>	<u>9.7%</u>		
Total Real Assets	\$13,634.0	24.6%	25.00%	+/- 10.0%
Risk Parity	\$4,980.8	9.0%	10.00%	+/- 5.0%
Absolute Return	\$5,838.2	10.5%	10.00%	+/- 4.0%
Cash and Cash Equivalents*	<u>\$2,942.6</u>	<u>5.3%</u>	<u>3.00%</u>	+/- 3.0%
<b>GROSS INVESTMENT PORTFOLIO</b>	<b>\$64,691.4</b>	<b>116.7%</b>	<b>117.00%</b>	
Financing	<u>(\$9,256.7)</u>	<u>(16.7%)</u>	<u>(17.0%)</u>	+/- 9.0%
<b>NET INVESTMENT PORTFOLIO</b>	<b>\$55,434.6</b>	<b>100.0%</b>	<b>100.00%</b>	
Net Other Assets and Liabilities	<u>\$1,175.5</u>			
<b>PSERS TOTAL NET ASSETS</b>	<b><u>\$56,610.1</u></b>			

\* - includes Cash, Cash Equivalents, and net asset value accounting adjustments

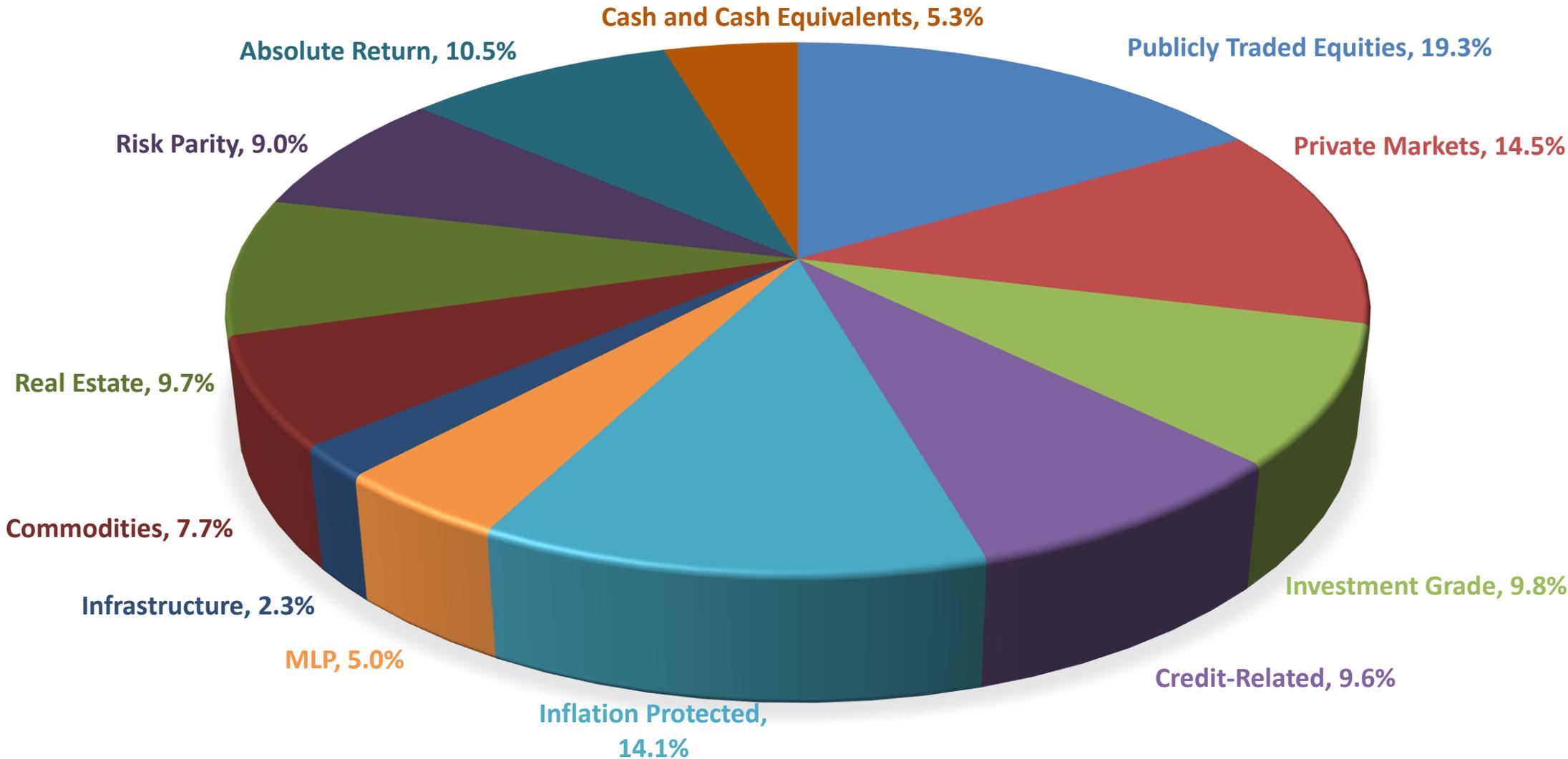
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## Asset Allocation as of September 30, 2018 (Unaudited)



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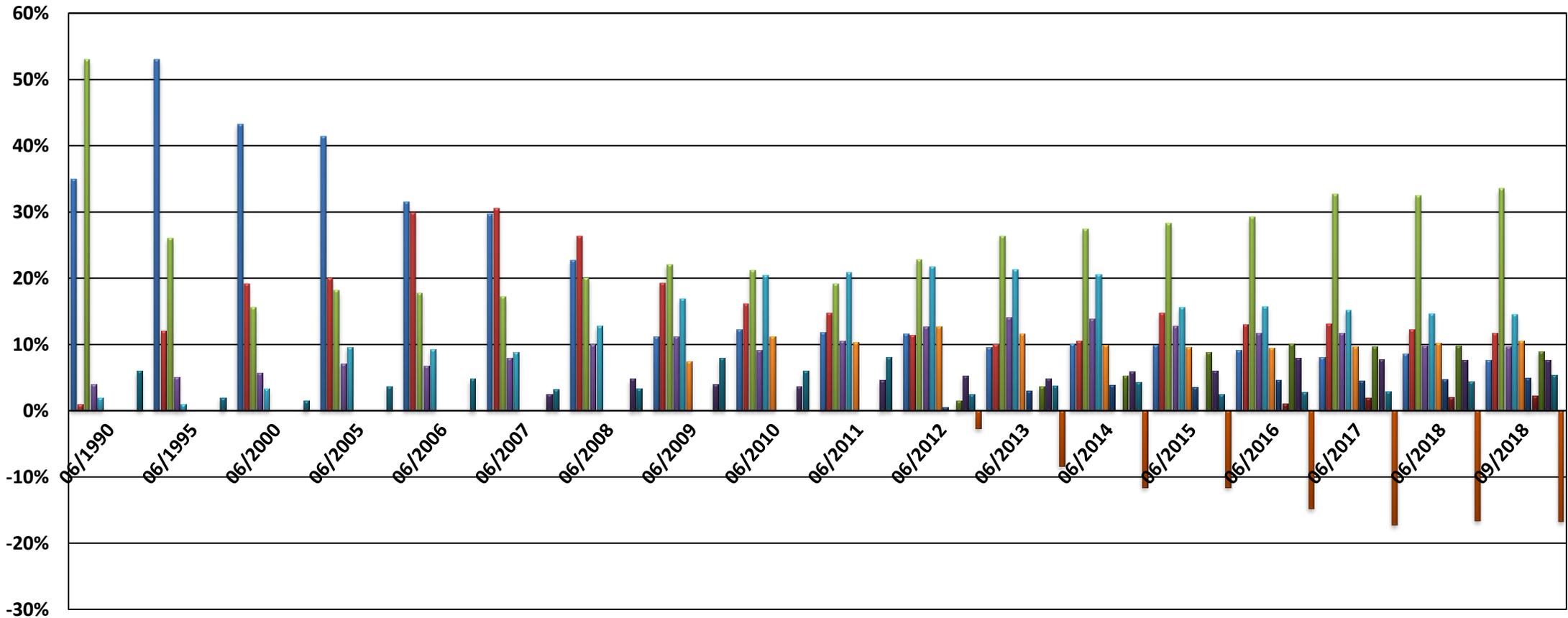
## Asset Allocation as of September 30, 2018 (Unaudited)



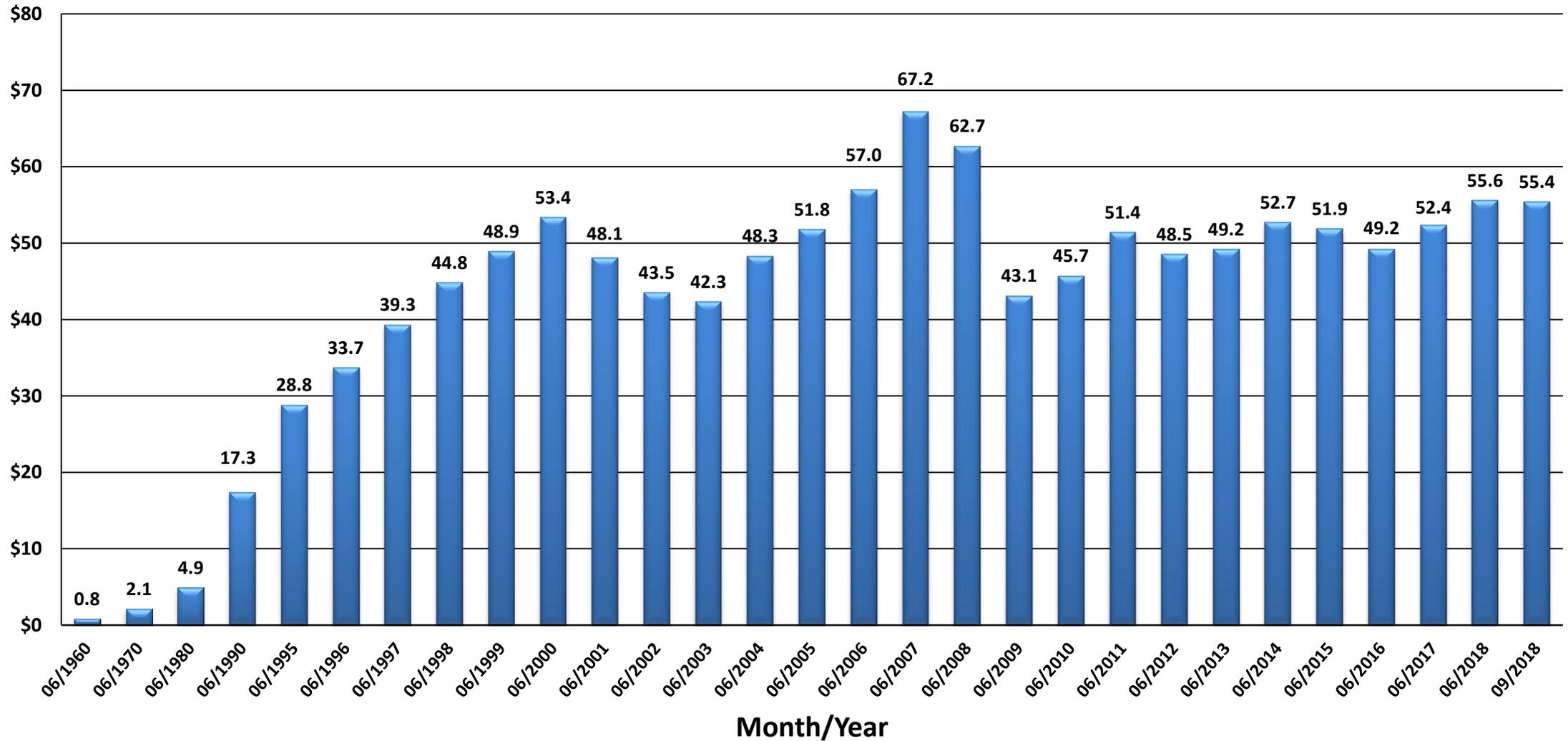
\*Financing represents a negative 16.7% allocation and is not reflected in the pie chart.



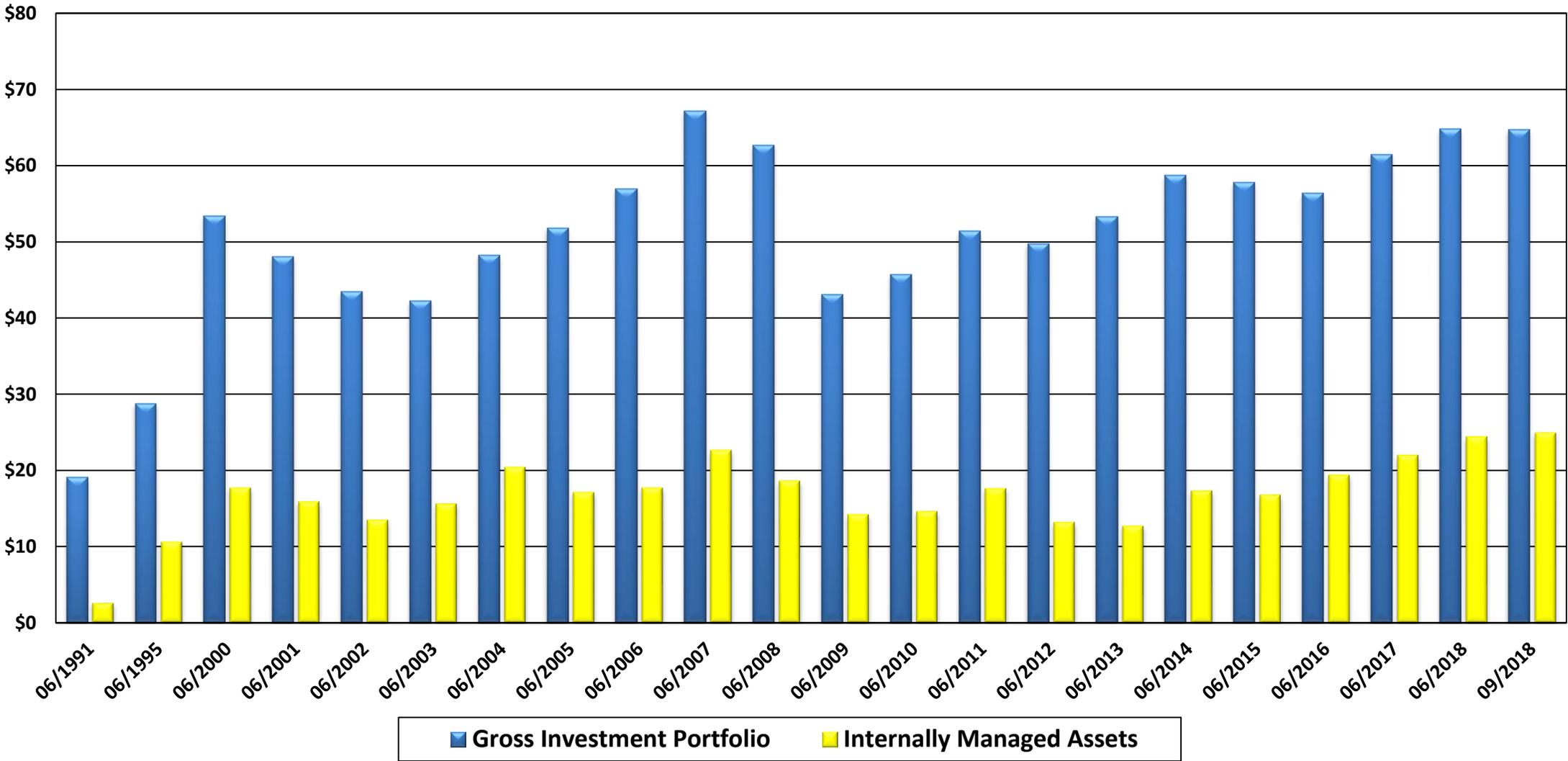
# PSERS' Historical Asset Allocation



# PSERS' Historical Net Investment Portfolio (in billions)



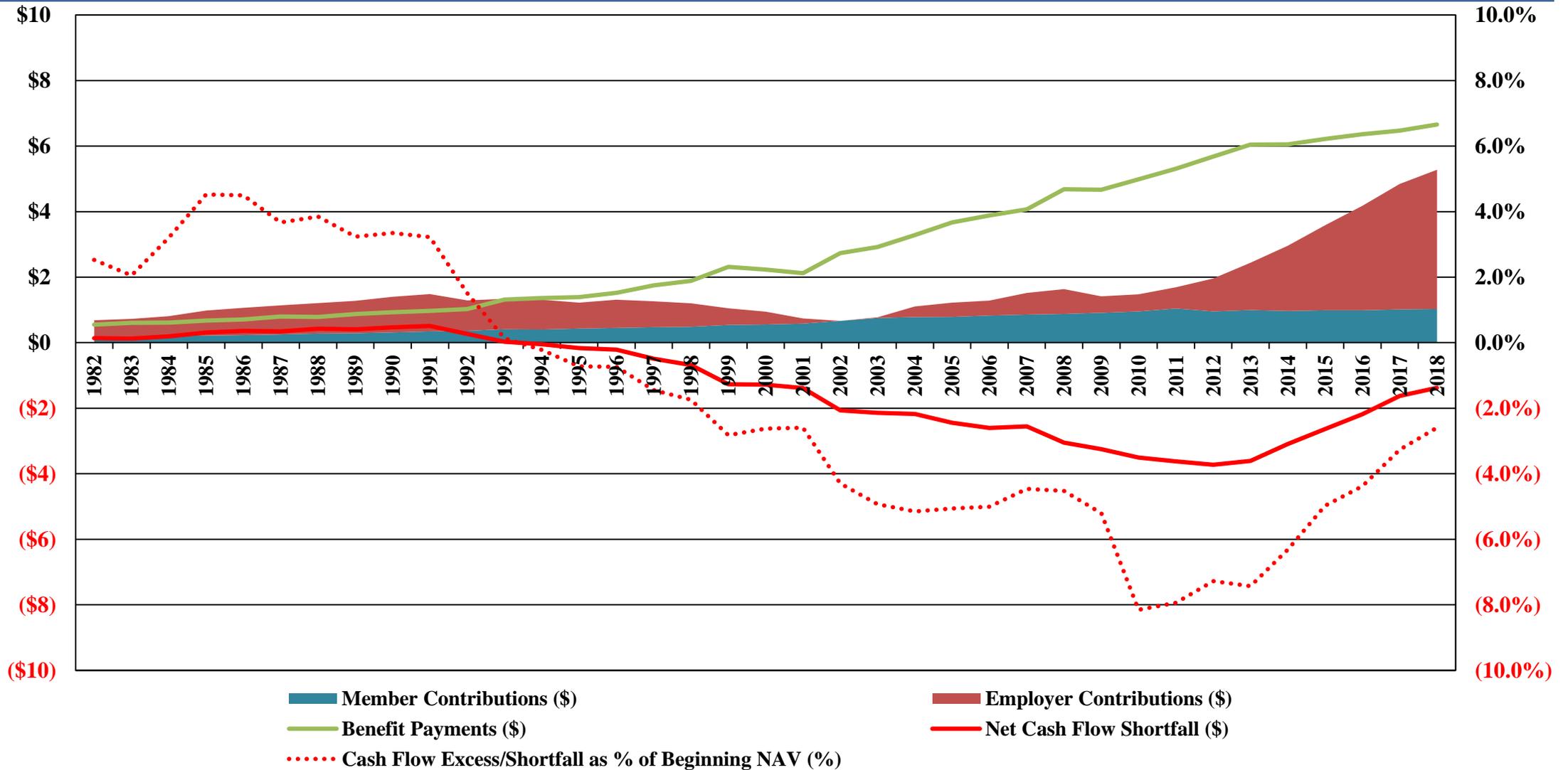
# PSERS' Gross Investment Portfolio Internally Managed Assets (in billions)



## PSERS' Summary Statements of Changes in Plan Net Assets For the Fiscal Years Ended June 30

Additions:	2013 (\$ in millions)	2014 (\$ in millions)	2015 (\$ in millions)	2016 (\$ in millions)	2017 (\$ in millions)	2018 (\$ in millions)
• Member Contributions	991	967	985	989	1,014	1,026
• Employer Contributions	1,446	1,992	2,597	3,190	3,833	4,250
• Net Investment Income	4,126	7,098	1,328	473	4,995	4,714
<b>Total Additions</b>	<b>6,563</b>	<b>10,057</b>	<b>4,910</b>	<b>4,652</b>	<b>9,842</b>	<b>9,990</b>
Deductions:						
• Pension Benefits	6,044	6,053	6,221	6,360	6,474	6,655
• Administrative Expenses	37	39	42	45	45	47
<b>Total Deductions</b>	<b>6,081</b>	<b>6,092</b>	<b>6,263</b>	<b>6,405</b>	<b>6,519</b>	<b>6,702</b>
<b>Net Increase/(Decrease) in Plan Net Assets</b>	<b>482</b>	<b>3,965</b>	<b>(1,353)</b>	<b>(1,753)</b>	<b>3,323</b>	<b>3,288</b>

# PSERS Annual Cash Flows History – Since 1982 (in billions)



## PSERS Annual Cash Flows History – Since 2001 (in billions)

